



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	SB0343	Title:	Revise laws relating to insurance adjusters
Primary Sponsor:	Bales, Keith	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$31,462	\$22,687	\$22,687	\$22,687
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$175,000	\$175,000	\$175,000	\$175,000
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of Fiscal Impact:

This bill would create a system within the State Auditor's Office to monitor the temporary and provisional insurance adjuster licenses.

FISCAL ANALYSIS

Assumptions:

1. The State Auditor's Office estimates it will take 20 pages of rules to implement this bill. The Secretary of State charges \$50 per page for rules.
2. This bill will require a 0.50 FTE band 3 Licensing Tech to design, implement and maintain a registry to license temporary adjusters and allowing a provisional adjuster license.
3. It is estimated that it will cost the State Auditor's Office \$5,000 to enhance its computer system to report the licensure of temporary and provisional adjusters.
4. The State Auditor's Office licenses approximately 7,000 insurance adjusters. It is estimated that there would be 3,500 new adjusters licensed as either temporary or provisional adjusters.

5. The State Auditor's Office would charge a fee of \$50 for a temporary or provisional adjuster's license (\$175,000 = 3,500 new licenses X \$50/license).

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.50	0.50	0.50	0.50
<u>Expenditures:</u>				
Personal Services	\$17,937	\$17,937	\$17,937	\$17,937
Operating Expenses	\$13,525	\$4,750	\$4,750	\$4,750
TOTAL Expenditures	\$31,462	\$22,687	\$22,687	\$22,687
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	\$31,462	\$22,687	\$22,687	\$22,687
<u>Revenues:</u>				
State Special Revenue (02)	\$175,000	\$175,000	\$175,000	\$175,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	\$143,538	\$152,313	\$152,313	\$152,313

Sponsor's Initials

Date

Budget Director's Initials

Date